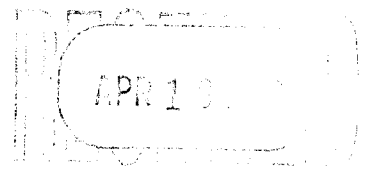


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

P

W-03512A
Pine Water Co., Inc.
% Brooke Utilities, Inc.
P.O. Box 82218
Bakersfield CA 93380

ANNUAL REPORT

*Entered
4/30/03
CYN*
*2002
assessment
do updated
CYN*

FOR YEAR ENDING

12	31	2002
-----------	-----------	-------------

FOR COMMISSION USE

ANN 04	02
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OK

COMPANY INFORMATION

Company Name (Business Name) PINE WATER COMPANY, INC

Mailing Address P.O.BOX 82218

(Street)

BAKERSFIELD

CA

93380

(City)

(State)

(Zip)

(661) 633-7546

(800) 748-6981

(661) 428-5453

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

Local Office Mailing Address P.O.BOX 82218

(Street)

BAKERSFIELD

CA

93380

(City)

(State)

(Zip)

(661) 633-7546

(800) 748-6981

(661) 428-5453

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

MANAGEMENT INFORMATION

Management Contact: ROBERT T. HARDCASTLE

PRESIDENT

(Name)

(Title)

P.O.BOX 82218

BAKERSFIELD

CA

93380

(Street)

(City)

(State)

(Zip)

(661) 633-7526

(800) 748-6981

(661) 978-4777

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rth@brookeutilities.com

On Site Manager: DEAN SHAFFER

(Name)

1011 S. STOVER ROAD

PAYSON

AZ

85541

(Street)

(City)

(State)

(Zip)

(928) 474-8130

(928) 474-1695

(928) 970-0437

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address deans@brookeutilities.com

Statutory Agent: ROBERT T. HARDCASTLE

(Name)

P.O.BOX 82218

BAKERSFIELD

CA

83380

(Street)

(City)

(State)

(Zip)

(661) 633-7526

(800) 748-6981

(661) 978-4777

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: JAY SHAPIRO @ FENNEMORE CRAIG

(Name)

3003 N. CENTRAL AVE., STE 2600, PHOENIX

AZ

85012-2913

(Street)

(City)

(State)

(Zip)

(602) 916-5366

(602) 916-5566

N/A

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME: PINE WATER COMPANY, INC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	16,930	887	16,043
304	Structures and Improvements	160,067	99,924	60,143
307	Wells and Springs	65,994	46,238	19,756
311	Pumping Equipment	131,293	71,309	59,983
320	Water Treatment Equipment	5,320	1,087	4,233
330	Distribution Reservoirs and Standpipes	247,073	172,746	74,327
331	Transmission and Distribution Mains	990,291	694,746	295,544
333	Services	70,981	50,108	20,873
334	Meters and Meter Installations	203,168	91,132	112,035
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	479	31	447
	TOTALS	1,891,594	1,228,209	663,385

This amount goes on the Balance Sheet Acct. No.108

COMPANY NAME: PINE WATER COMPANY, INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	16,930	2.62%	444
304	Structures and Improvements	160,067	2.61%	4,178
307	Wells and Springs	65,994	2.62%	1,729
311	Pumping Equipment	131,293	2.49%	3,268
320	Water Treatment Equipment	5,320	2.25%	120
330	Distribution Reservoirs and Standpipes	247,073	2.62%	6,473
331	Transmission and Distribution Mains	990,291	2.51%	24,862
333	Services	70,981	2.58%	1,830
334	Meters and Meter Installations	203,168	2.24%	4,542
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	479	2.62%	13
	TOTALS	1,891,594	2.51%	47,457

This amount goes on Comparative Statement of Income and Expense
Acct. No.403.



COMPANY NAME: PINE WATER COMPANY, INC

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ -	\$ -
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	19,774	18,111
146	Notes/Receivables from Associated Company		
151	Plant Materials and Supplies		
162	Prepayments	18,849	18,040
174	Miscellaneous Current and Accrued Assets	3,725	3,725
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 42,348	\$ 39,876
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,824,007	\$ 1,891,594
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(1,180,752)	(1,228,209)
121	Not-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 643,255	\$ 663,385
	DEFERRED INCOME TAX DEBITS	\$ 369,000	\$ 369,000
	TOTAL ASSETS	\$ 1,054,603	\$ 1,072,261

COMPANY NAME: PINE WATER COMPANY, INC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 44,062	\$ 59,388
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Company	277,182	533,599
235	Customer Deposits	20,410	21,356
236	Accrued Taxes	21,796	29,001
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		11,095
	TOTAL CURRENT LIABILITIES	\$ 363,450	\$ 654,440
	LONG-TERM DEBT (Over 12 Months)		
224	Long-term Notes and Bonds	\$ 75,166	\$ 55,353
	Deferred Credits		
251	Unamortized Premium on Debt		
	Refundable Meter Advances	\$ 24,871	\$ 39,979
252	Advances in Aid of Construction	12,093	12,093
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	958,323	958,323
272	Less: Amortization of Contributions	(470,728)	(494,931)
281	Accumulated Deferred Income Taxes		
	TOTAL DEFERRED CREDITS	\$ 524,559	\$ 515,464
	TOTAL LIABILITIES	\$ 963,175	\$ 1,225,256
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 321,823	\$ 321,823
211	Paid In Capital in Excess of Par Value	584,935	584,935
215	Retained Earnings	(815,330)	(1,059,754)
218	Proprietary Capital (Sole Props & Partnerships)		
	TOTAL CAPITAL	\$ 91,428	\$ (152,996)
	TOTAL LIABILITIES AND CAPITAL	\$ 1,054,603	\$ 1,072,261

COMPANY NAME: PINE WATER COMPANY, INC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 675,199	\$ 662,011
460	Unmetered Water Revenue		
474	Other Water Revenues	10,034	8,436
	TOTAL REVENUES	\$ 685,233	\$ 670,447
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 109,808	\$ 131,402
610	Purchased Water	107,942	125,033
615	Purchased Power	28,399	36,942
618	Chemicals		604
620	Repairs & Maintenance		59,423
621	Office Supplies and Expense		
630	Outside Services	129,077	161,856
635	Water Testing	8,987	7,758
641	Rents	583	
650	Transportation Expenses	267,780	176,144
657	Insurance - General Liability		
659	Insurance - Health and Life	8,117	12,663
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	71,734	55,761
403	Depreciation Expense	46,112	47,457
408	Taxes Other Than Income	40,895	41,363
408.11	Property Taxes	43,592	51,177
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 863,026	\$ 907,583
	OPERATING INCOME/(LOSS)	\$ (177,793)	\$ (237,136)
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	23	408
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(8,925)	(7,694)
	TOTAL OTHER INCOME/EXPENSE	\$ (8,902)	\$ (7,287)
	NET INCOME/(LOSS)	\$ (186,695)	\$ (244,423)

COMPANY NAME: PINE WATER COMPANY, INC

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN # 1	LOAN # 2	LOAN # 3	LOAN # 4
Date Issued	5/1/2000			
Source of Loan	Brooke Utilities			
ACC Decision No.	see below (1)			
Reason for loan	see below (2)			
Dollar Amount Issued	\$ 104,000			
Amount Outstanding	\$ 55,353			
Date of Maturity	4/30/2005			
Interest Rate	10%			
Current Year Interest	\$ 6,702			
Current Year Principal	\$ 19,814			

Meter Deposit Balance at Test Year End	<u>\$ 39,979</u>
----------------------------------------	------------------

Meter Deposits Refunded During the Test Year	<u>\$ 7,077</u>
----------------------------------------------	-----------------

(1) From E&R Water	ACC Decision # 62400	\$82,000
From Williamsons Water	ACC Decision # 62363	<u>\$22,000</u>
		\$104,000

(2) The purpose of the loan was to finance capital expenditure project to improve water system infrastructures.

COMPANY NAME	Pine Water Co., Inc.
---------------------	----------------------

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
		See Page 9A				

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Strawberry-Pine Pipeline	N/A	11,643
Starlight Water Co./Pearson Transportation	N/A	753

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	1	11	none
5	7		
3	1		
5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250 & 5,000	1 / 1	2,000	4
10,000 & 12,000	2 / 1	350	2
100,000 & 150,000	4 / 1	1,000	2
250,000 / 300,000	2 / 1		

Company Name
Year

Pine Water Co., Inc.
2002

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID	PUMP	PUMP	CASING	METER
NO.	HP	YEILD(GPM)	(INCHES)	SIZE (INCHES)
55-613695	0.75	10	6"	1"
55-613688	.5	8.5	6"	.75"
55-613691	.5	3	8"	.75"
55-613689	.75	16	6"	1"
55-519445	.5	7	6"	1"
55-613696	.75	3	6"	1"
55-603958	3	18	6"	1"
55-603961	3	16	8"	1"
55-603963	5	23	6"	2"
55-603960	1	2.5	4"	.75"
55-635775	2	16	6"	.75"
55-635769	1	7	8"	.75"
55-635770	2	16	6"	.75"
55-635772	2	8	6"	.75"
55-613687	.75	14	6"	1"

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2	ABS	15,030
3	ABS	14,290
4	ABS	25,000
5	none	
6	AC	3,000
8	none	
10	none	
12	none	
3"	PVC	56,438
4"	PVC	42,480
4"	AC	25,000
6"	PVC	56,438

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	1,879
3/4	0
1	6
1 1/2	0
2	2
Comp. 3	0
Turbo 3	0
Comp. 4	0
Tubo 4	0
Comp. 6	0
Tubo 6	0

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

1- chlorinator

STRUCTURES:

1- 8' x 24' Wood structure 2- 12' x 24' wooden frames
 1- 10' x 28' concrete block 2- 10' x 12' wooden frames
 1- 10' x 14' concrete block
 1- 10' x 16' Wood structure
 1- 10' x 10' concrete block

OTHER:

COMPANY NAME: Pine Water Co., Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY n	1,846	3,315,376	3,841
FEBRUARY	1,846	3,294,104	3,047
MARCH	1,853	2,965,012	2,913
APRIL	1,865	3,651,369	4,280
MAY	1,872	5,002,895	4,737
JUNE	1,885	6,605,607	3,585
JULY	1,885	5,156,652	3,478
AUGUST	1,885	4,576,358	4,655
SEPTEMBER	1,885	5,076,021	3,088
OCTOBER	1,885	4,602,227	4,102
NOVEMBER	1,885	4,046,117	2,880
DECEMBER	1,887	3,714,276	3,105
TOTAL		N/A	43,711

5200-214-015

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

(x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0.005 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 47,384.52

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

#14458
..... 21,795.92 * +
#15447
..... 25,588.60 +
002
..... 47,384.52 *



Pine Water Company, Inc.
P.O. Box 82218
Bakersfield, CA 93380-2218

2 | 34810

BANK OF AMERICA
140 THURSTON AVENUE
BAKERFIELD, CA 93301

34818 34820

14458

16-66
1220

CHECK NO.

***** Twenty-One Thousand Seven Hundred Ninety-Five and 92/100 *****

DATE

AMOUNT

Mar 27 02

\$21,795.92

GILA COUNTY TREASURER
P.O. BOX 1093
GLOBE, AZ
85502

PAY
TO THE
ORDER
OF

⑈014458⑈ ⑆122000661⑆ 14769⑈01525⑈

⑈0002179592⑈

THIS PAPER CONTAINS A WATERMARK AND OTHER SECURITY FEATURES

PLEASE ENDORSE HERE

PAY TO THE ORDER OF
BANK ONE, N.A.
PHOENIX, ARIZONA
FOR DEPOSIT ONLY
GILA COUNTY TREASURER
11804047

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

6423 64946

122100024
BANK ONE, N.A.
122100024

THIS DOCUMENT INCLUDES THE FOLLOWING VALIDITY
SECURITY FEATURES, EXCEEDING PSA GUIDELINES

• MICRONE 06

• 122100024

• 04/03/02

04/03/02
122100024

AP 02 02

122100024
BANK ONE, N.A.
PHOENIX, ARIZONA

1/2- 35175 35176 35183
35185

Pine Water Company, Inc.
P.O. Box 82218
Bakersfield, CA 93380-2218



BANK OF AMERICA
1440 TRUXTON AVENUE
BAKERSFIELD, CA 93301

15447

16-66
1220

CHECK NO.

***** Twenty-Five Thousand Five Hundred Eighty-Eight and 60/100 *****

DATE

AMOUNT

Oct 15 02

\$25,588.60

GILA COUNTY TREASURER
P.O. BOX 1093
GLOBE, AZ
85502

PAY
TO THE
ORDER
OF

⑈015447⑈ ⑆122000661⑆ 14769⑈01525⑈ ⑈0002558860⑈

10/23/02 LA, CA
122000661 06
50746 940 40012215000

6760098050

BANK ONE, NA
122100024
10212002

54342105

OCT 21 02

▶ 122100024 ▶
BANK ONE, NA
— 10120011 —
▶ 122100024 ▶
▶ 122100024 ▶

1073 45632

PAY TO THE ORDER OF
BANK ONE, ARIZONA, NA
PHOENIX, ARIZONA
▶ 122100024 ▶
FOR DEPOSIT ONLY
GILA COUNTY TREASURER
11804047

COMPANY NAME PINE WATER COMPANY, INC YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(244,423)</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>(244,423)</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4-9-03

DATE

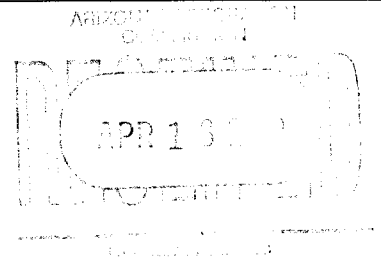
ROBERT T. HARDCASTLE

PRINTED NAME

PRESIDENT

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	KERN
NAME (OWNER OR OFFICIAL) TITLE	ROBERT T. HARDCASTLE PRESIDENT
COMPANY NAME	PINE WATER COMPANY, INC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 670,447

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 41,363
IN SALES TAXES BILLED, OR COLLECTED**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 4th DAY OF

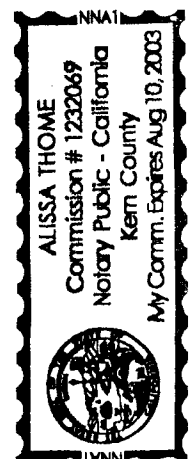
(SEAL)

MY COMMISSION EXPIRES AUG. 10 2003

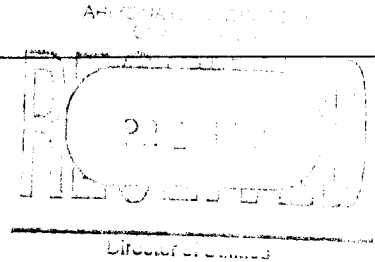
SIGNATURE OF OWNER OR OFFICIAL
(661) 633-7526
TELEPHONE NUMBER

COUNTY NAME	KERN
MONTH	APRIL
	2003

SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY



VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) KERN	
NAME (OWNER OR OFFICIAL) ROBERT T. HARDCASTLE	TITLE PRESIDENT
COMPANY NAME PINE WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

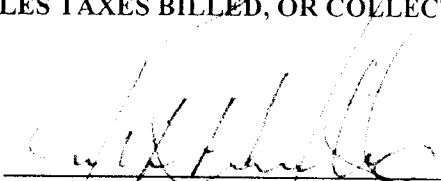
SWORN STATEMENT

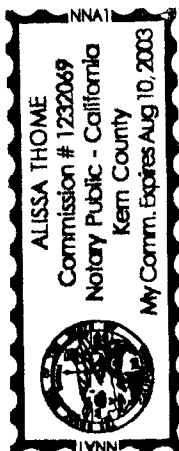
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 651,278

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 41,082
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL



SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS


4th

DAY OF

(SEAL)

MY COMMISSION EXPIRES Aug 10 2003

NOTARY PUBLIC NAME Alissa Thome	
COUNTY NAME KERN	
MONTH APRIL	20 03

x 

SIGNATURE OF NOTARY PUBLIC